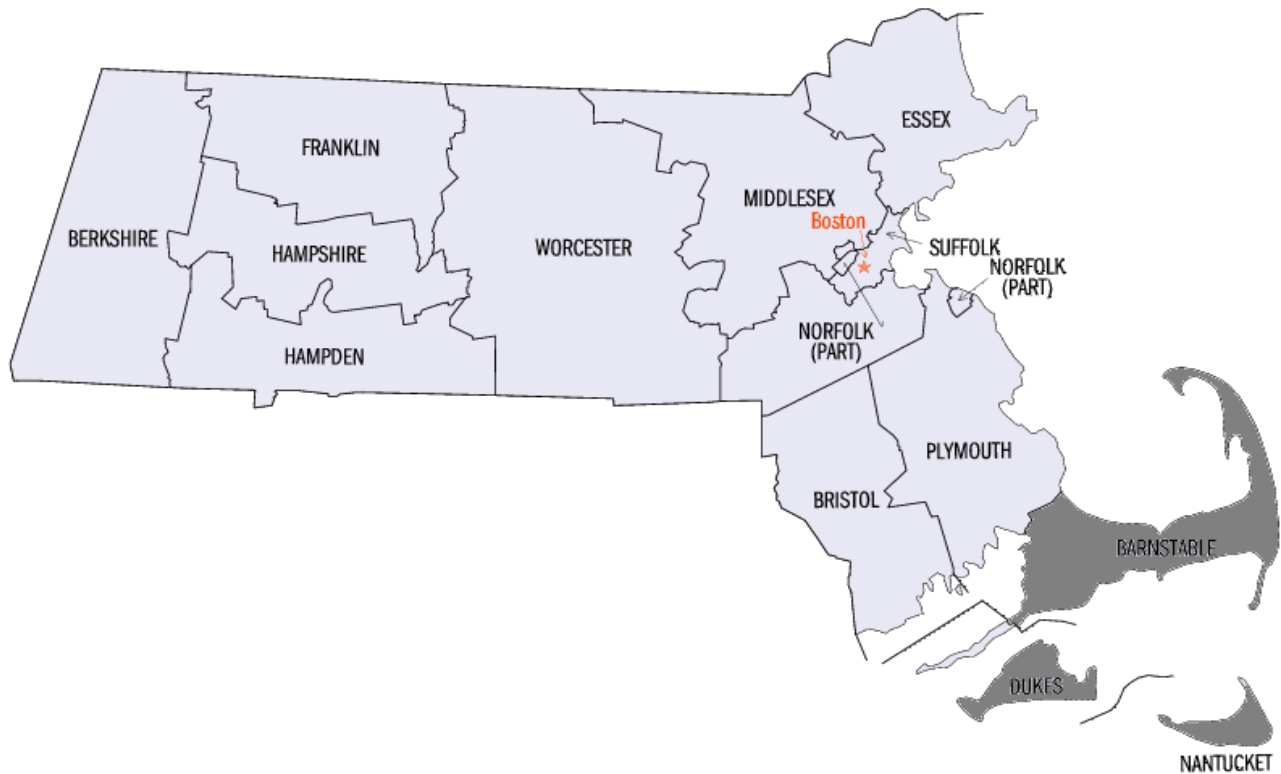


Economic and Market Watch Report

4th Quarter, 2004



*Click on a County to view economic and real estate information at the county and zip code level

© 2005 MLS Property Information Network, Inc. and
NATIONAL ASSOCIATION OF REALTORS®

Reproduction, reprinting, or retransmission in any form is prohibited without written permission.

MLS Property Information Network, Inc.

Economic and Market Watch Report

MLS Property Information Network, Inc., is the largest MLS in Massachusetts, as well as New England. It provides service to more than 25,000 real estate professionals throughout the state with a comprehensive database of more than 30,000 Active listings, and one million Off-market listings. This database also includes complete statewide assessments, tax, and deed transfers. MLS PIN prides itself in quality customer service with a professional and experienced staff, evening and weekend support, and free hands-on training throughout the state. We have also recently incorporated evening classes at our training site located in Shrewsbury. In addition, we provide state-of-the art technology which includes PINwheel 360 virtual tours and our most recently developed in-house program H3MLS. Some of the many highlights of H3MLS include customized VOW web sites for each and every customer, instant real-time client updates, and instant photo uploads all at no additional cost. It is our goal to connect the real estate professionals of Massachusetts everyday with our service, technical expertise, credibility, and drive to always offer the best and most up to date services available.

Index

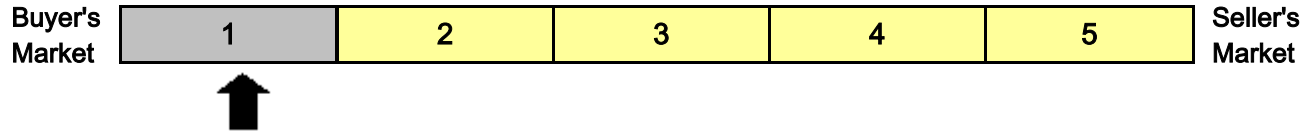
Local Report

Massachusetts

Berkshire County	1
Bristol County	2
Essex County	4
Franklin County	6
Hampden County	8
Hampshire County	10
Middlesex County	12
Nantucket County	16
Norfolk County	17
Plymouth County	19
Suffolk County	21
Worcester County	23
Others	27
Trends	31
Chief Economist's Commentary*	32
Local Forecast	33
Economic Monitor*	35

*Reprinted from Real Estate Outlook: Market Trends and Insights, ©2004 NATIONAL ASSOCIATION OF REALTORS®. Used with permission. Reproduction, reprinting, or retransmission of this article in any form (electronic media included) is prohibited without written permission. For subscription information please call 1-800-874-6500

BERKSHIRE COUNTY, MA



Labor Market :

Berkshire County saw 1,318 layoffs occur during October and November. Despite the decline in employment, the average monthly unemployment rate fell from 4.2% during the third quarter to 3.6% in the first two months of the fourth quarter. Despite the job losses, the labor market remains relatively strong leaving record low mortgage rates to drive home sales.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$113,100	\$817,500	↑
# Homes on the Market *	12	23	↔
# Homes Sold **	4	1	↓
# New Homes Built ***	32	23	↓
Avg # of Days on Market	43	21	↑

* Available as of Dec. 31, 2004.

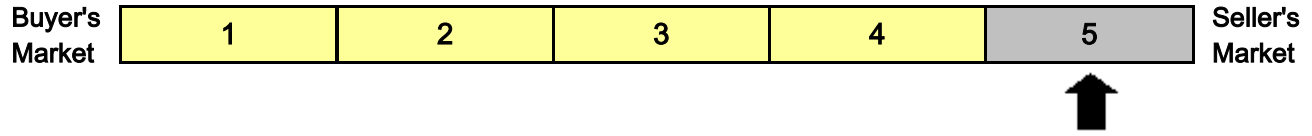
** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01253	\$817,500	-	1	-	21	83.8%

BRISTOL COUNTY, MA



Labor Market :

Bristol County saw 444 layoffs occur during October and November. Despite the decline in employment, the average monthly unemployment rate fell from 6.2% during the third quarter to 5.2% in the first two months of the fourth quarter. Despite the job losses, the labor market remains relatively strong leaving record low mortgage rates to drive home sales.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$340,500	\$340,600	↑
# Homes on the Market *	1,605	1,763	↔
# Homes Sold **	1,037	847	↓
# New Homes Built ***	337	249	↓
Avg # of Days on Market	59	70	↑

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

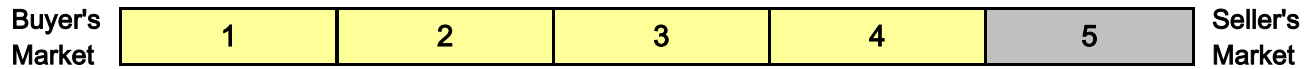
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02048	\$430,800	11.06%	33	-26.67%	56	98.3%
02334	\$499,700	-29.12%	1	0.00%	186	100.0%
02356	\$553,600	11.91%	24	-31.43%	85	97.1%
02375	\$404,200	9.96%	17	-15.00%	58	98.8%
02702	\$357,900	15.83%	12	9.09%	54	97.8%
02703	\$317,600	10.55%	110	19.57%	60	98.4%
02715	\$375,900	13.33%	5	-16.67%	224	88.7%
02717	\$341,500	42.11%	12	500.00%	61	94.9%
02718	\$314,500	17.18%	9	-35.71%	80	95.4%
02719	\$294,200	-6.45%	14	-39.13%	72	94.6%
02720	\$272,100	6.41%	26	-23.53%	56	97.6%

BRISTOL COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02721	\$213,600	5.38%	15	50.00%	76	97.8%
02722	\$347,500	-	2	-	57	99.3%
02723	\$248,300	26.68%	12	71.43%	70	98.6%
02724	\$243,300	6.34%	22	22.22%	92	97.3%
02725	\$258,500	7.53%	8	60.00%	68	95.8%
02726	\$306,100	8.12%	35	40.00%	94	97.8%
02740	\$233,500	19.19%	42	-4.55%	63	97.5%
02743	\$306,200	-0.20%	17	70.00%	86	96.8%
02744	\$213,700	-3.22%	6	20.00%	81	97.4%
02745	\$252,500	13.74%	27	22.73%	60	97.5%
02746	\$260,000	31.65%	2	0.00%	41	96.5%
02747	\$368,400	20.67%	28	12.00%	59	97.3%
02748	\$495,200	-22.95%	22	83.33%	79	97.3%
02760	\$408,800	5.66%	53	-25.35%	83	98.3%
02763	\$373,000	47.02%	1	-75.00%	54	99.5%
02764	\$333,600	-12.16%	3	-50.00%	76	99.6%
02766	\$360,800	12.93%	43	43.33%	63	98.1%
02767	\$363,300	11.51%	36	50.00%	63	96.9%
02769	\$425,900	14.30%	14	-30.00%	76	98.4%
02771	\$311,700	-1.95%	18	12.50%	76	96.8%
02777	\$326,900	8.07%	36	20.00%	79	96.4%
02779	\$357,000	12.33%	12	0.00%	66	97.6%
02780	\$308,300	8.14%	94	17.50%	61	98.4%
02790	\$468,900	8.17%	28	100.00%	86	95.9%
02791	\$949,000	-25.57%	1	0.00%	404	100.0%
OTHER	\$319,500	16.65%	7	75.00%	64	97.8%

ESSEX COUNTY, MA



Labor Market :

In the first two months of the fourth quarter, 37 jobs were added to the payrolls of Essex County. As a result of these new jobs, the average monthly unemployment rate fell from 6.2% during the third quarter to 5.2% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$469,000	\$454,500	
# Homes on the Market *	2,120	2,037	
# Homes Sold **	1,907	1,442	
# New Homes Built ***	255	151	
Avg # of Days on Market	56	67	

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

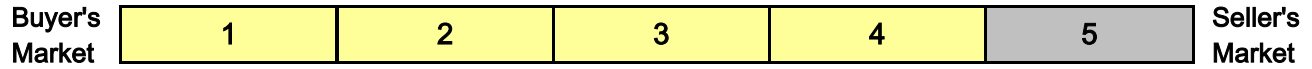
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01810	\$628,700	13.12%	96	-4.95%	60	97.8%
01830	\$300,000	1.76%	66	1.54%	81	97.4%
01832	\$335,100	6.99%	36	28.57%	66	97.9%
01833	\$477,400	1.10%	24	-20.00%	95	97.5%
01834	\$417,800	22.16%	9	-43.75%	49	97.4%
01835	\$364,900	22.29%	31	10.71%	54	99.0%
01841	\$239,900	9.95%	35	52.17%	68	98.5%
01843	\$229,400	-0.35%	42	23.53%	36	97.2%
01844	\$316,200	3.06%	111	8.82%	51	97.8%
01845	\$615,300	24.93%	67	-22.09%	70	97.1%
01860	\$368,400	6.78%	19	46.15%	90	97.7%

ESSEX COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01901	\$310,500	5.83%	2	-50.00%	22	98.7%
01902	\$259,600	8.44%	50	-13.79%	56	96.9%
01903	\$431,000	-	1	-	8	100.2%
01904	\$319,900	6.81%	62	51.22%	67	98.2%
01905	\$251,400	3.46%	31	-13.89%	42	96.6%
01906	\$388,900	6.00%	64	-7.25%	58	96.4%
01907	\$466,300	-26.23%	26	-31.58%	47	97.4%
01908	\$546,100	-48.34%	4	-33.33%	114	90.9%
01913	\$384,900	8.09%	41	28.13%	50	98.3%
01915	\$620,500	30.36%	77	2.67%	65	95.1%
01921	\$849,200	34.01%	17	-19.05%	116	93.7%
01922	\$460,000	35.89%	2	-50.00%	62	95.2%
01923	\$412,300	3.18%	35	-25.53%	61	98.0%
01929	\$759,900	66.35%	9	50.00%	112	98.5%
01930	\$466,400	-10.58%	38	-20.83%	70	93.5%
01936	\$1,035,000	-	1	-	21	83.8%
01938	\$548,600	1.76%	36	38.46%	123	95.3%
01940	\$623,900	3.35%	27	-6.90%	64	96.4%
01944	\$931,500	-38.10%	17	142.86%	175	94.4%
01945	\$569,300	-20.78%	48	-23.81%	67	97.1%
01949	\$572,800	7.15%	13	-13.33%	71	81.9%
01950	\$480,700	-9.30%	48	6.67%	69	96.6%
01951	\$483,500	-12.15%	15	-6.25%	87	97.7%
01952	\$340,200	44.09%	14	-26.32%	74	96.6%
01960	\$369,100	4.27%	87	-2.25%	54	97.8%
01966	\$601,700	40.16%	27	68.75%	75	96.9%
01969	\$440,500	-8.38%	11	-21.43%	43	98.3%
01970	\$374,400	6.39%	43	2.38%	56	97.5%
01982	\$796,600	42.30%	18	5.88%	106	90.6%
01983	\$839,100	56.14%	13	-7.14%	99	84.7%
01984	\$979,300	-3.23%	8	-11.11%	52	96.2%
01985	\$553,300	-3.12%	13	160.00%	112	96.8%
OTHER	\$453,700	32.89%	8	-52.94%	175	97.9%

FRANKLIN COUNTY, MA



Labor Market :

In the first two months of the fourth quarter, 691 jobs were added to the payrolls of Franklin County. As a result of these new jobs, the average monthly unemployment rate fell from 4.1% during the third quarter to 3.3% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$212,200	\$217,500	
# Homes on the Market *	262	235	
# Homes Sold **	240	179	
# New Homes Built ***	29	21	
Avg # of Days on Market	54	53	

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

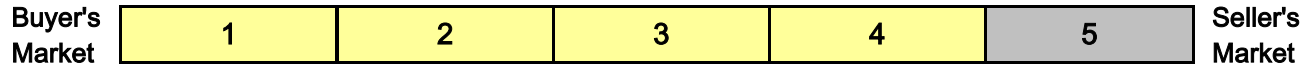
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01054	\$354,300	64.48%	6	20.00%	91	95.0%
01072	\$219,300	4.98%	9	12.50%	58	95.0%
01093	\$218,200	18.59%	3	200.00%	40	94.5%
01301	\$210,300	30.30%	41	-2.38%	40	97.1%
01330	\$298,000	26.86%	1	-85.71%	125	96.4%
01337	\$186,900	-12.54%	7	-12.50%	62	92.6%
01338	\$214,600	34.21%	4	300.00%	47	97.3%
01339	\$143,500	-19.25%	2	-33.33%	35	84.9%
01340	\$199,300	28.25%	2	-50.00%	59	94.9%
01341	\$266,900	42.35%	5	25.00%	41	93.6%
01342	\$279,400	92.69%	3	50.00%	37	96.9%

FRANKLIN COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01344	\$156,500	32.18%	3	50.00%	44	99.9%
01346	\$209,400	98.11%	5	66.67%	154	96.7%
01349	\$165,600	22.67%	3	50.00%	14	102.5%
01350	\$111,000	-	1	-	77	100.9%
01351	\$189,500	-37.54%	5	-16.67%	22	100.8%
01354	\$115,000	-	1	-	43	100.0%
01355	\$324,300	-	6	-	74	100.0%
01360	\$192,200	-7.55%	6	-33.33%	44	97.0%
01364	\$178,100	28.50%	33	37.50%	60	97.8%
01370	\$221,500	30.60%	4	-33.33%	38	94.3%
01373	\$265,600	8.06%	6	200.00%	58	97.8%
01375	\$304,200	33.13%	3	-25.00%	75	99.8%
01376	\$176,500	10.66%	12	-7.69%	26	98.0%
01378	\$302,600	108.69%	3	50.00%	54	94.6%
01379	\$326,300	141.70%	4	300.00%	89	93.9%
OTHER	\$349,500	58.86%	1	0.00%	123	97.4%

HAMPDEN COUNTY, MA



Labor Market :

In the first two months of the fourth quarter, 1,968 jobs were added to the payrolls of Hampden County. As a result of these new jobs, the average monthly unemployment rate fell from 6.2% during the third quarter to 5% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$197,100	\$196,900	↑
# Homes on the Market *	1,292	1,274	↔
# Homes Sold **	1,130	996	↓
# New Homes Built ***	183	73	↓
Avg # of Days on Market	48	54	↑

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

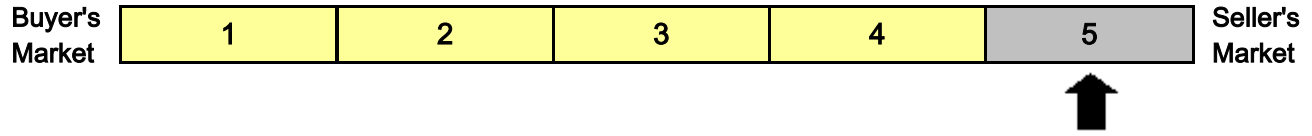
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01001	\$222,600	28.00%	25	8.70%	52	99.2%
01008	\$181,000	0.22%	2	-60.00%	151	96.6%
01009	\$199,200	-	3	-	26	99.5%
01010	\$192,500	-20.16%	19	18.75%	79	97.6%
01011	\$194,500	137.20%	3	0.00%	80	98.1%
01013	\$137,200	2.77%	30	11.11%	39	98.3%
01020	\$165,500	17.79%	47	-14.55%	33	97.6%
01028	\$263,700	10.98%	48	33.33%	51	96.9%
01030	\$249,100	15.43%	27	-20.59%	44	96.7%
01034	\$217,600	26.51%	7	250.00%	141	96.6%
01036	\$253,000	-14.21%	12	0.00%	31	96.5%

HAMPDEN COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01040	\$183,500	7.50%	40	-31.03%	36	97.5%
01056	\$200,800	7.55%	28	-33.33%	33	99.1%
01057	\$222,800	4.75%	19	5.56%	73	97.7%
01069	\$204,700	11.19%	20	-9.09%	78	97.1%
01071	\$266,200	11.33%	5	0.00%	69	97.8%
01077	\$281,600	18.87%	38	40.74%	69	97.6%
01080	\$171,000	22.84%	5	0.00%	45	96.4%
01081	\$204,900	35.70%	7	16.67%	103	99.7%
01085	\$247,700	29.21%	76	2.70%	58	98.1%
01089	\$217,200	4.62%	59	15.69%	46	98.0%
01095	\$280,100	9.03%	46	9.52%	59	96.6%
01101	\$152,500	-7.58%	2	100.00%	21	100.0%
01103	\$255,000	-	1	-	265	86.4%
01104	\$125,300	13.39%	49	-12.50%	59	99.2%
01105	\$98,400	-35.48%	14	75.00%	75	92.5%
01106	\$324,600	0.40%	46	-11.54%	63	96.7%
01107	\$125,000	-6.23%	5	-16.67%	40	99.7%
01108	\$157,000	16.47%	51	13.33%	69	96.0%
01109	\$111,100	16.95%	70	22.81%	63	97.9%
01118	\$152,900	8.06%	74	34.55%	44	97.8%
01119	\$150,000	15.30%	50	16.28%	49	100.2%
01128	\$153,400	-10.87%	9	-10.00%	38	98.3%
01129	\$169,000	22.02%	33	32.00%	40	97.8%
01151	\$110,400	3.66%	14	-17.65%	72	99.3%
01521	\$231,800	24.29%	9	-35.71%	54	95.8%
OTHER	\$200,300	20.88%	3	-40.00%	47	95.4%

HAMPSHIRE COUNTY, MA



Labor Market :

In the first two months of the fourth quarter, 238 jobs were added to the payrolls of Hampshire County. As a result of these new jobs, the average monthly unemployment rate fell from 3.8% during the third quarter to 3.1% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$277,800	\$268,600	
# Homes on the Market *	490	454	
# Homes Sold **	391	298	
# New Homes Built ***	83	27	
Avg # of Days on Market	59	64	

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

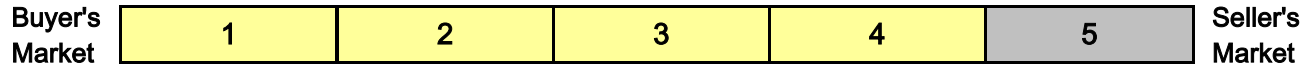
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01002	\$335,400	13.08%	31	-26.19%	78	95.4%
01007	\$266,000	9.83%	57	9.62%	60	98.7%
01012	\$347,000	80.82%	2	-60.00%	76	95.2%
01026	\$297,000	25.95%	2	-33.33%	63	99.3%
01027	\$238,200	8.97%	42	13.51%	40	98.1%
01032	\$158,600	-34.76%	7	75.00%	42	97.1%
01033	\$242,300	-2.46%	13	0.00%	81	99.0%
01035	\$322,500	32.23%	9	28.57%	43	96.5%
01038	\$171,800	-38.25%	3	-66.67%	55	94.7%
01039	\$278,200	21.48%	3	200.00%	86	92.6%
01050	\$182,400	-22.94%	7	133.33%	24	96.3%

HAMPSHIRE COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01053	\$605,000	178.80%	2	0.00%	138	108.5%
01060	\$327,200	23.10%	25	31.58%	94	96.7%
01062	\$274,700	11.44%	16	6.67%	56	97.0%
01070	\$40,000	-84.63%	1	-83.33%	82	67.8%
01073	\$304,400	31.26%	18	125.00%	89	96.9%
01075	\$224,400	10.76%	30	-28.57%	47	97.8%
01082	\$221,000	26.94%	18	-33.33%	71	97.3%
01096	\$368,000	88.33%	4	-42.86%	33	97.3%
01098	\$216,800	18.34%	6	0.00%	112	97.2%
OTHER	\$311,500	49.04%	2	-50.00%	136	103.0%

MIDDLESEX COUNTY, MA



Labor Market :

In the first two months of the fourth quarter, 2,283 jobs were added to the payrolls of Middlesex County. As a result of these new jobs, the average monthly unemployment rate fell from 4.3% during the third quarter to 3.5% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$537,900	\$520,100	
# Homes on the Market *	3,353	2,929	
# Homes Sold **	3,561	2,543	
# New Homes Built ***	570	357	
Avg # of Days on Market	47	55	

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01431	\$284,100	4.45%	13	30.00%	92	96.2%
01432	\$295,200	13.02%	15	50.00%	60	98.1%
01450	\$473,100	-0.94%	24	0.00%	97	96.6%
01460	\$419,700	-2.80%	29	16.00%	77	98.0%
01463	\$385,500	20.39%	29	-6.45%	71	98.2%
01464	\$316,300	29.47%	15	15.38%	69	98.5%
01469	\$306,000	12.33%	23	15.00%	76	98.3%
01474	\$420,000	28.36%	1	-66.67%	195	70.6%
01701	\$434,400	11.87%	86	-7.53%	42	98.4%
01702	\$392,300	15.52%	46	21.05%	35	98.4%
01719	\$535,200	-5.41%	8	0.00%	93	85.4%

MIDDLESEX COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01720	\$618,600	12.74%	44	0.00%	85	98.4%
01721	\$439,500	12.35%	44	7.32%	49	97.8%
01730	\$554,900	5.55%	35	16.67%	47	97.8%
01741	\$990,400	24.41%	16	-5.88%	82	95.8%
01742	\$1,173,300	46.17%	33	-32.65%	79	91.8%
01746	\$512,400	15.17%	33	-15.38%	52	99.4%
01748	\$690,700	35.06%	40	21.21%	49	97.7%
01749	\$363,900	7.00%	41	-4.65%	58	97.4%
01752	\$376,800	14.74%	92	-26.40%	51	98.0%
01754	\$326,900	1.02%	32	33.33%	53	96.9%
01760	\$561,400	17.52%	74	-17.78%	39	99.2%
01770	\$868,800	-9.12%	16	33.33%	96	97.1%
01773	\$1,132,900	-9.80%	11	10.00%	81	94.4%
01775	\$524,000	22.52%	34	25.93%	94	98.4%
01776	\$647,500	-10.82%	41	-29.31%	56	97.2%
01778	\$822,400	51.09%	30	-14.29%	94	94.8%
01801	\$407,900	15.59%	48	-32.39%	34	97.7%
01803	\$482,600	24.41%	52	8.33%	53	98.0%
01821	\$377,300	15.95%	54	-29.87%	65	97.9%
01824	\$382,900	2.74%	67	-11.84%	60	98.1%
01826	\$350,200	11.92%	79	3.95%	64	99.0%
01827	\$472,300	-7.79%	5	-44.44%	70	97.9%
01850	\$243,000	6.02%	25	-30.56%	57	98.9%
01851	\$258,500	7.80%	42	0.00%	44	97.6%
01852	\$274,000	-7.65%	43	-6.52%	54	96.4%
01853	\$229,000	-	1	-	85	99.6%
01854	\$296,900	26.34%	41	64.00%	48	98.0%
01862	\$342,700	8.97%	10	-50.00%	71	97.5%
01863	\$335,400	15.70%	10	25.00%	51	97.7%
01864	\$512,300	4.70%	37	0.00%	47	98.7%
01867	\$424,900	-1.09%	66	10.00%	49	97.8%
01876	\$381,800	4.23%	52	-1.89%	58	98.0%
01879	\$433,700	16.99%	24	4.35%	52	97.8%
01880	\$429,600	3.89%	65	75.68%	45	97.7%

MIDDLESEX COUNTY, MA
Data by Zip Codes

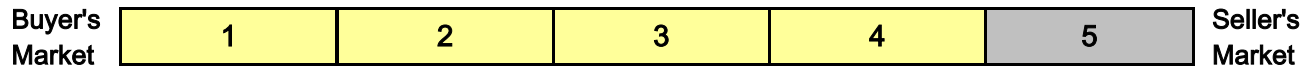
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01886	\$518,300	8.14%	58	3.57%	69	98.3%
01887	\$417,100	8.39%	57	-5.00%	46	98.3%
01890	\$695,300	-13.95%	37	-13.95%	69	97.3%
02138	\$1,553,300	15.65%	22	-8.33%	50	97.2%
02139	\$701,500	18.14%	12	140.00%	52	99.9%
02140	\$471,300	-17.85%	4	-66.67%	41	91.6%
02141	\$572,500	13.08%	2	-50.00%	122	98.0%
02143	\$427,000	13.53%	4	33.33%	36	95.3%
02144	\$640,700	23.21%	9	50.00%	47	98.6%
02145	\$351,200	-10.55%	14	100.00%	60	96.4%
02148	\$353,300	5.40%	63	16.67%	50	97.8%
02149	\$331,500	15.18%	41	78.26%	49	98.3%
02155	\$401,300	8.11%	73	17.74%	40	97.3%
02176	\$439,000	6.04%	50	-13.79%	46	97.7%
02180	\$452,200	12.01%	27	-15.63%	69	96.9%
02420	\$837,600	8.88%	33	13.79%	72	96.9%
02421	\$710,900	6.20%	42	2.44%	57	97.1%
02451	\$447,400	16.88%	27	-40.00%	38	98.0%
02452	\$609,800	41.06%	9	-30.77%	25	97.4%
02453	\$420,100	4.14%	31	-26.19%	38	97.6%
02454	\$451,000	-	1	-	5	103.7%
02458	\$886,700	3.62%	11	-26.67%	36	96.3%
02459	\$916,300	0.17%	30	-23.08%	58	97.3%
02460	\$741,200	-22.57%	12	-7.69%	60	95.8%
02461	\$577,200	0.23%	16	23.08%	51	97.0%
02462	\$649,400	39.51%	5	150.00%	53	97.6%
02464	\$537,600	18.47%	5	25.00%	104	94.3%
02465	\$1,085,900	39.43%	27	35.00%	37	95.2%
02466	\$622,500	-9.44%	5	-54.55%	52	95.9%
02467	\$1,207,900	52.32%	7	40.00%	63	92.9%
02468	\$749,800	-24.48%	6	-53.85%	35	96.8%
02472	\$500,800	12.34%	32	23.08%	40	97.8%
02474	\$551,200	25.05%	37	-24.49%	41	98.5%
02476	\$494,700	2.02%	27	-12.90%	44	99.1%

MIDDLESEX COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02478	\$858,700	14.40%	33	26.92%	51	96.8%
02493	\$1,602,400	45.07%	35	6.06%	108	92.4%
OTHER	\$433,700	-10.94%	13	-43.48%	67	97.7%

NANTUCKET COUNTY, MA



Labor Market :

Employment declined by 2,832 jobs in October and November. The job losses brought about an increase in the average monthly unemployment rate from 1.1% in the third quarter to 2% for the first two months of the fourth quarter. Despite the job losses, the job situation still remains strong in Nantucket County. Combined with favorable low mortgage rates, home sales should continue at a strong pace.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	NA	\$2,000,000	↑
# Homes on the Market *	NA	1	↔
# Homes Sold **	NA	1	↓
# New Homes Built ***	NA	55	↓
Avg # of Days on Market	NA	106	↑

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02554	\$2,000,000	-	1	-	106	100.0%

NORFOLK COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
----------------	---	---	---	---	---	-----------------



Labor Market :

Norfolk County saw 63 layoffs occur during October and November. Despite the decline in employment, the average monthly unemployment rate fell from 4.3% during the third quarter to 3.5% in the first two months of the fourth quarter. Despite the job losses, the labor market remains relatively strong leaving record low mortgage rates to drive home sales.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$559,200	\$531,100	
# Homes on the Market *	1,866	1,744	
# Homes Sold **	1,832	1,397	
# New Homes Built ***	250	136	
Avg # of Days on Market	43	53	

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02019	\$339,500	3.38%	50	19.05%	48	98.4%
02021	\$517,000	-2.64%	47	51.61%	52	96.9%
02025	\$845,400	-5.06%	24	0.00%	83	92.5%
02026	\$445,000	-11.21%	58	-9.38%	47	96.5%
02030	\$1,422,400	49.40%	17	112.50%	109	91.0%
02032	\$370,900	5.04%	6	-40.00%	29	97.3%
02035	\$442,500	18.76%	45	55.17%	49	98.7%
02038	\$477,200	9.02%	76	2.70%	57	98.4%
02052	\$624,000	17.51%	32	33.33%	67	96.5%
02053	\$423,600	1.46%	39	-7.14%	49	97.5%
02054	\$471,300	23.31%	16	-40.74%	64	97.8%

NORFOLK COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02056	\$482,700	2.61%	32	77.78%	55	100.9%
02062	\$403,400	6.16%	48	20.00%	47	97.2%
02067	\$479,600	6.01%	37	-5.13%	49	96.5%
02072	\$366,200	11.95%	54	25.58%	51	98.0%
02081	\$510,800	22.49%	31	-20.51%	52	97.7%
02090	\$631,800	11.12%	39	11.43%	53	96.0%
02093	\$513,500	27.74%	32	6.67%	75	97.4%
02169	\$404,000	12.69%	52	-13.33%	53	96.5%
02170	\$388,900	9.61%	21	-44.74%	43	95.9%
02171	\$362,100	-2.29%	22	37.50%	51	98.0%
02184	\$426,800	9.94%	96	84.62%	44	97.4%
02186	\$522,700	6.74%	61	15.09%	56	97.4%
02188	\$384,300	11.62%	33	57.14%	42	97.5%
02189	\$373,700	16.60%	23	-23.33%	53	98.7%
02190	\$371,300	12.72%	34	100.00%	55	95.8%
02191	\$347,300	16.31%	28	75.00%	41	97.2%
02322	\$335,800	10.10%	6	-40.00%	59	97.1%
02343	\$317,200	12.72%	31	3.33%	44	98.3%
02368	\$332,800	9.98%	103	17.05%	47	97.7%
02445	\$1,640,100	79.50%	7	-30.00%	65	92.5%
02446	\$1,143,100	-13.81%	5	-16.67%	88	98.7%
02481	\$1,038,900	1.25%	50	19.05%	53	96.0%
02482	\$1,199,800	35.69%	32	23.08%	82	96.4%
02492	\$778,900	10.89%	50	-13.79%	48	97.6%
02494	\$659,200	27.68%	18	-5.26%	38	97.4%
02762	\$371,100	12.05%	17	-29.17%	51	99.8%
OTHER	\$1,374,500	83.17%	25	-21.88%	75	93.6%

PLYMOUTH COUNTY, MA

Buyer's Market	1	2	3	4	5	Seller's Market
----------------	---	---	---	---	---	-----------------



Labor Market :

Plymouth County saw 876 layoffs occur during October and November. Despite the decline in employment, the average monthly unemployment rate fell from 5.3% during the third quarter to 4.3% in the first two months of the fourth quarter. Despite the job losses, the labor market remains relatively strong leaving record low mortgage rates to drive home sales.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$410,000	\$404,300	↑
# Homes on the Market *	2,104	2,261	↔
# Homes Sold **	1,725	1,277	↓
# New Homes Built ***	515	367	↓
Avg # of Days on Market	49	70	↑

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

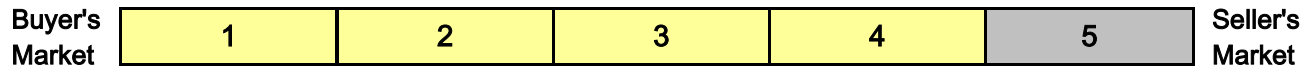
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02020	\$290,000	-33.18%	1	-50.00%	108	97.0%
02041	\$340,000	-	1	-	54	97.2%
02043	\$711,400	19.46%	62	34.78%	93	96.3%
02045	\$454,600	0.46%	38	15.15%	62	95.8%
02047	\$560,200	10.49%	6	500.00%	48	96.1%
02050	\$461,700	8.74%	76	15.15%	58	97.9%
02051	\$609,500	30.51%	2	0.00%	22	97.5%
02059	\$2,300,000	-	1	-	39	100.0%
02060	\$336,000	-	1	-	24	97.4%
02061	\$690,000	13.13%	26	-16.13%	79	92.1%
02066	\$566,800	-1.05%	38	-22.45%	74	95.4%

PLYMOUTH COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02301	\$282,300	14.62%	111	-6.72%	64	97.7%
02302	\$268,000	14.29%	85	2.41%	52	98.1%
02324	\$415,300	26.42%	53	55.88%	69	98.2%
02327	\$225,000	0.00%	1	-50.00%	5	100.0%
02330	\$346,400	25.78%	33	-17.50%	72	99.5%
02332	\$755,200	17.39%	40	-2.44%	113	95.7%
02333	\$337,100	2.06%	31	55.00%	81	98.5%
02338	\$306,700	-0.39%	15	-6.25%	92	96.4%
02339	\$489,500	8.34%	30	-16.67%	62	97.0%
02341	\$369,400	11.00%	23	35.29%	54	97.9%
02345	\$311,500	-0.48%	3	200.00%	86	96.9%
02346	\$330,000	5.91%	47	-11.32%	62	100.0%
02347	\$392,500	13.41%	26	0.00%	46	97.4%
02351	\$367,400	24.84%	25	19.05%	37	98.3%
02355	\$335,000	-	1	-	125	95.7%
02358	\$500,000	33.37%	1	0.00%	63	90.9%
02359	\$397,900	12.21%	43	26.47%	80	97.2%
02360	\$364,900	11.59%	178	-2.73%	80	96.7%
02364	\$483,600	19.38%	39	8.33%	89	96.3%
02367	\$434,300	10.28%	15	150.00%	114	95.9%
02370	\$317,700	25.28%	40	-9.09%	52	97.6%
02379	\$300,800	-7.05%	15	50.00%	38	97.1%
02381	\$258,300	41.15%	2	100.00%	34	98.8%
02382	\$340,500	13.84%	26	-13.33%	50	96.8%
02538	\$245,100	8.93%	17	21.43%	59	96.0%
02558	\$355,000	22.29%	4	-50.00%	61	96.1%
02571	\$268,400	6.93%	50	16.28%	71	96.4%
02576	\$267,300	5.40%	18	100.00%	75	97.6%
02738	\$471,200	15.80%	17	41.67%	103	94.1%
02739	\$451,100	-15.51%	6	-40.00%	47	92.9%
02770	\$509,000	22.09%	9	0.00%	101	98.1%
OTHER	\$309,600	5.02%	21	61.54%	60	96.3%






SUFFOLK COUNTY, MA



Labor Market :

Suffolk County saw 47 layoffs occur during October and November. Despite the decline in employment, the average monthly unemployment rate fell from 5.6% during the third quarter to 4.5% in the first two months of the fourth quarter. Despite the job losses, the labor market remains relatively strong leaving record low mortgage rates to drive home sales.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$433,200	\$407,200	
# Homes on the Market *	592	601	
# Homes Sold **	470	406	
# New Homes Built ***	45	37	
Avg # of Days on Market	50	53	

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

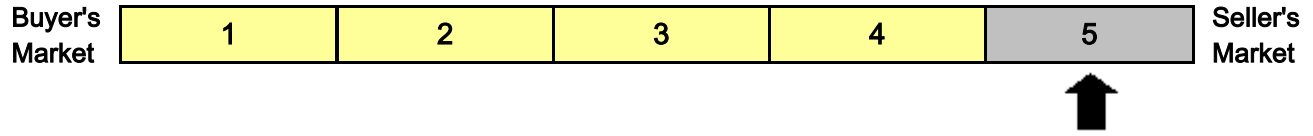
Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02113	\$625,000	-	1	-	95	90.7%
02114	\$1,172,000	-48.48%	2	100.00%	42	95.9%
02115	\$911,400	-	1	-	14	95.0%
02116	\$1,145,700	-30.71%	3	-40.00%	44	94.4%
02119	\$355,000	33.91%	1	-80.00%	17	93.7%
02120	\$789,000	98.49%	1	-50.00%	77	100.0%
02121	\$382,600	13.80%	7	133.33%	59	95.1%
02122	\$358,200	-6.06%	11	57.14%	80	96.5%
02124	\$361,000	1.86%	25	25.00%	72	94.8%
02125	\$323,600	-6.28%	4	-50.00%	70	93.3%
02126	\$309,600	-0.80%	16	14.29%	45	98.6%

SUFFOLK COUNTY, MA

Data by Zip Codes						
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02127	\$470,300	19.67%	18	350.00%	42	96.0%
02128	\$273,700	-0.55%	10	-9.09%	66	95.6%
02129	\$620,500	22.90%	18	157.14%	40	98.3%
02130	\$591,700	7.56%	16	-15.79%	56	95.9%
02131	\$393,500	17.74%	42	23.53%	49	97.1%
02132	\$431,900	11.72%	58	16.00%	46	96.6%
02134	\$457,800	14.48%	3	-25.00%	52	97.1%
02135	\$472,600	23.30%	16	23.08%	58	96.8%
02136	\$347,700	1.13%	55	111.54%	46	97.8%
02150	\$316,400	6.53%	15	-11.76%	56	97.1%
02151	\$327,700	7.62%	60	-6.25%	59	99.1%
02152	\$392,600	0.59%	21	10.53%	63	96.8%
OTHER	\$412,500	7.14%	2	-60.00%	103	92.3%

WORCESTER COUNTY, MA



Labor Market :

In the first two months of the fourth quarter, 2,182 jobs were added to the payrolls of Worcester County. As a result of these new jobs, the average monthly unemployment rate fell from 6% during the third quarter to 4.9% for October and November. The strong employment climate may help to create demand for home purchases. Favorable mortgage rates should augment this trend.

Housing Market :

	Q3' 04	Q4' 04	Q1' 05 (Forecast)
Average Price	\$324,600	\$315,700	↑
# Homes on the Market *	3,202	3,269	↔
# Homes Sold **	2,541	2,027	↓
# New Homes Built ***	895	508	↓
Avg # of Days on Market	41	63	↑

* Available as of Dec. 31, 2004.

** May not add to total of zip codes

*** During the first two months of 4th quarter.

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01005	\$254,700	28.38%	22	83.33%	72	97.3%
01031	\$132,200	-38.80%	2	-33.33%	57	91.6%
01037	\$259,200	1.65%	3	200.00%	68	99.4%
01068	\$296,900	9.52%	4	-42.86%	103	99.0%
01083	\$177,700	2.42%	11	-26.67%	63	97.6%
01092	\$169,000	22.73%	1	-66.67%	132	97.7%
01094	\$200,000	-	1	-	6	95.3%
01331	\$181,900	18.27%	62	31.91%	70	99.5%
01366	\$259,500	14.82%	6	200.00%	92	98.6%
01368	\$147,300	-41.08%	3	200.00%	67	88.6%
01420	\$224,500	12.98%	88	0.00%	66	98.4%

WORCESTER COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01430	\$240,400	-2.00%	29	-3.33%	85	97.4%
01436	\$223,900	2.61%	17	0.00%	37	100.0%
01440	\$233,500	21.42%	61	24.49%	50	99.3%
01451	\$673,200	19.13%	16	23.08%	100	93.8%
01452	\$271,000	8.70%	16	220.00%	62	98.5%
01453	\$265,400	1.96%	98	19.51%	67	97.7%
01462	\$324,200	19.50%	46	6.98%	77	98.3%
01468	\$241,100	4.69%	14	-26.32%	63	98.7%
01473	\$335,600	20.85%	24	-22.58%	116	97.0%
01475	\$209,900	2.19%	56	33.33%	77	98.3%
01501	\$248,300	24.65%	49	-14.04%	45	97.7%
01503	\$508,500	-17.53%	9	28.57%	139	95.1%
01504	\$315,500	25.15%	10	-23.08%	44	97.7%
01505	\$404,100	10.05%	12	33.33%	33	97.3%
01506	\$183,700	-30.81%	16	60.00%	44	99.3%
01507	\$408,100	36.03%	21	-44.74%	94	100.7%
01510	\$264,600	4.05%	22	4.76%	52	98.6%
01515	\$371,700	48.15%	3	-50.00%	69	91.1%
01516	\$354,400	12.72%	21	-32.26%	97	99.8%
01519	\$518,400	4.77%	32	45.45%	67	100.3%
01520	\$327,900	10.29%	42	-8.70%	56	98.2%
01522	\$282,000	-5.75%	1	-75.00%	5	99.3%
01523	\$392,300	15.42%	28	47.37%	72	98.7%
01524	\$258,300	9.73%	19	-32.14%	73	97.9%
01525	\$210,000	-	1	-	154	98.6%
01527	\$329,900	18.07%	17	-56.41%	53	98.3%
01529	\$240,100	-25.96%	6	-25.00%	58	99.7%
01531	\$225,000	-11.76%	1	0.00%	46	98.3%
01532	\$488,300	23.65%	39	8.33%	62	96.5%
01534	\$390,700	25.34%	23	-4.17%	46	100.6%
01535	\$231,400	24.27%	14	0.00%	72	98.1%
01536	\$373,200	18.10%	26	116.67%	58	97.4%
01537	\$224,800	18.75%	2	-33.33%	54	93.8%
01540	\$302,200	28.27%	31	-6.06%	49	97.9%

WORCESTER COUNTY, MA
Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
01541	\$342,100	13.92%	11	-26.67%	64	96.8%
01542	\$280,000	-0.14%	4	-20.00%	36	98.3%
01543	\$290,200	20.72%	22	69.23%	50	98.8%
01545	\$436,700	16.21%	107	9.18%	49	97.3%
01550	\$207,000	4.33%	26	0.00%	66	97.9%
01560	\$403,300	1.59%	9	-18.18%	73	98.3%
01561	\$170,000	-	1	-	85	85.0%
01562	\$268,500	12.67%	36	16.13%	67	98.8%
01564	\$440,400	18.48%	14	-36.36%	68	98.7%
01566	\$353,200	13.39%	52	6.12%	71	101.1%
01568	\$483,900	23.66%	26	30.00%	41	97.9%
01569	\$372,400	11.06%	37	15.63%	56	95.9%
01570	\$253,200	9.14%	36	-30.77%	67	97.7%
01571	\$288,700	10.44%	34	36.00%	71	98.9%
01581	\$548,000	37.27%	41	13.89%	52	97.1%
01583	\$331,500	13.02%	17	30.77%	52	98.5%
01585	\$264,400	16.02%	15	-16.67%	53	96.9%
01588	\$360,300	13.95%	15	15.38%	67	97.6%
01590	\$427,600	25.99%	26	13.04%	61	96.5%
01602	\$252,200	2.40%	70	18.64%	69	97.9%
01603	\$207,200	3.08%	59	25.53%	54	97.8%
01604	\$220,800	8.45%	51	-7.27%	58	98.5%
01605	\$237,800	-0.13%	37	-19.57%	56	98.6%
01606	\$248,100	11.26%	63	23.53%	53	98.3%
01607	\$195,300	24.16%	20	233.33%	48	98.4%
01609	\$363,900	2.02%	22	46.67%	62	98.2%
01610	\$175,700	2.33%	5	-61.54%	46	95.6%
01611	\$212,500	-8.44%	3	0.00%	69	97.4%
01612	\$365,700	9.49%	17	-19.05%	94	96.1%
01740	\$604,800	0.45%	17	21.43%	113	97.6%
01747	\$357,900	-5.52%	7	-36.36%	36	99.8%
01756	\$392,600	-4.71%	13	-7.14%	63	98.1%
01757	\$360,300	8.10%	52	-17.46%	51	98.6%
01772	\$573,400	-7.46%	30	15.38%	81	98.5%

WORCESTER COUNTY, MA

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
OTHER	\$390,900	46.13%	7	-69.57%	67	103.1%

Others

Data by Zip Codes						
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02093	\$235,000	-	1	-	36	98.0%
02532	\$343,400	17.44%	22	83.33%	60	94.4%
02536	\$494,600	45.47%	3	200.00%	51	95.5%
02537	\$353,500	-	2	-	47	97.0%
02559	\$285,000	-14.08%	2	-33.33%	43	98.4%
02561	\$435,000	-	1	-	79	97.8%
02562	\$444,200	58.64%	7	600.00%	60	98.7%
02563	\$437,400	52.94%	6	500.00%	52	98.0%
02601	\$430,000	86.96%	1	0.00%	200	99.0%
02630	\$370,000	-	1	-	104	92.7%
02638	\$587,500	-	2	-	27	95.6%
02644	\$373,300	20.81%	3	50.00%	71	98.5%
02645	\$369,000	6.96%	1	0.00%	56	100.0%
02648	\$268,000	-22.99%	1	0.00%	24	99.3%
02649	\$875,000	-	2	-	70	92.1%
02660	\$346,000	-	1	-	68	99.2%
02673	\$298,300	-	3	-	163	97.8%
02806	\$345,000	-	1	-	134	86.5%
02809	\$229,600	-	3	-	18	98.0%
02818	\$207,500	-	1	-	46	104.3%
02837	\$549,900	29.39%	1	-66.67%	59	100.0%
02857	\$560,000	-	1	-	54	94.4%
02860	\$219,200	-	3	-	38	94.7%
02861	\$197,000	-0.86%	4	-42.86%	48	97.5%
02864	\$398,600	0.45%	13	160.00%	69	99.5%
02865	\$551,600	58.51%	5	400.00%	79	95.9%
02878	\$303,800	17.89%	18	260.00%	97	95.8%
02895	\$251,000	37.91%	3	200.00%	62	99.8%
02904	\$245,000	-	1	-	43	99.3%
02909	\$199,500	-	1	-	161	102.3%
02916	\$320,000	-	1	-	73	97.0%
02919	\$218,000	-	1	-	66	99.6%

Others

Data by Zip Codes						
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
02920	\$286,000	-	1	-	21	98.7%
02921	\$354,500	-	1	-	100	90.9%
03031	\$310,000	5.08%	1	0.00%	120	96.9%
03033	\$256,500	-	2	-	60	98.7%
03036	\$403,000	-	1	-	145	93.7%
03038	\$277,900	7.50%	5	150.00%	58	96.5%
03042	\$277,000	-	1	-	63	95.8%
03048	\$56,300	-42.55%	3	-40.00%	113	92.9%
03051	\$280,000	-15.51%	1	-50.00%	18	96.6%
03053	\$287,500	12.79%	1	0.00%	83	99.3%
03054	\$272,500	-	2	-	53	99.9%
03060	\$209,000	3.21%	1	0.00%	49	100.0%
03062	\$404,400	67.45%	5	150.00%	40	96.7%
03064	\$269,000	-	1	-	17	102.3%
03071	\$234,400	6.30%	11	266.67%	76	97.2%
03076	\$346,300	-0.14%	15	-44.44%	122	91.7%
03077	\$232,100	-	3	-	88	97.2%
03079	\$327,400	27.99%	26	188.89%	46	97.2%
03087	\$420,300	-8.89%	6	-33.33%	92	100.0%
03104	\$290,300	-	2	-	50	98.4%
03110	\$447,500	-	2	-	21	99.5%
03222	\$285,000	-	2	-	63	97.5%
03225	\$197,900	-	3	-	132	95.8%
03235	\$183,000	-	1	-	61	94.1%
03261	\$190,200	-	5	-	51	98.5%
03263	\$249,900	-	1	-	88	100.0%
03301	\$209,000	-	1	-	13	95.0%
03303	\$269,000	-	1	-	101	103.9%
03446	\$239,900	-	1	-	12	82.8%
03447	\$91,300	-	3	-	50	95.5%
03452	\$218,000	-	1	-	14	96.9%
03458	\$313,800	-	3	-	142	100.2%
03461	\$308,500	21.79%	4	-42.86%	52	95.3%
03470	\$30,000	-	1	-	14	96.8%

Others

Data by Zip Codes						
Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
03801	\$325,000	-	1	-	105	92.1%
03809	\$150,000	-	1	-	30	100.0%
03811	\$560,000	-17.40%	2	100.00%	21	97.5%
03813	\$149,900	-	1	-	19	100.0%
03819	\$36,900	-85.92%	1	0.00%	49	92.5%
03825	\$267,000	-	1	-	52	98.9%
03827	\$308,300	-21.15%	3	200.00%	73	91.2%
03830	\$179,000	-	1	-	76	99.5%
03833	\$671,500	-	2	-	61	88.9%
03836	\$99,000	-	1	-	19	94.4%
03839	\$219,900	-	1	-	124	100.0%
03841	\$412,500	-	2	-	53	97.1%
03848	\$411,500	-	2	-	34	99.2%
03849	\$160,000	-	1	-	29	88.9%
03858	\$328,000	7.22%	6	100.00%	54	96.0%
03864	\$99,900	-	1	-	101	88.8%
03865	\$266,700	-8.98%	8	166.67%	55	98.3%
03867	\$195,700	-	2	-	76	98.9%
03870	\$1,207,500	205.70%	2	100.00%	94	94.9%
03872	\$277,400	-	8	-	27	93.5%
03873	\$307,500	0.82%	2	100.00%	4	99.4%
03874	\$326,300	38.85%	7	250.00%	108	96.0%
03884	\$221,300	-	3	-	72	96.9%
06071	\$351,000	35.00%	3	200.00%	45	96.6%
06072	\$408,000	-	1	-	33	94.4%
06075	\$375,000	-	1	-	11	100.0%
06076	\$216,800	-	4	-	35	95.3%
06078	\$450,000	52.54%	1	0.00%	34	75.0%
06082	\$211,000	15.55%	2	-33.33%	63	97.1%
06241	\$227,000	-	1	-	42	99.1%
06242	\$227,900	-	1	-	8	100.0%
06243	\$230,000	-	1	-	81	100.0%
06255	\$247,500	-	2	-	9	98.0%
06259	\$215,000	-	1	-	49	97.8%

Others

Data by Zip Codes

Zip Code	Average Price	Price Change (1 Year)	Total # Homes Sold (Quarter)	% Change in # Homes Sold (1 Year)	Average Days on Market	% of Asking Price (Sold/List Price)
06260	\$181,300	-	6	-	39	98.5%
06277	\$263,300	-	10	-	50	96.5%
06279	\$315,000	-	1	-	191	92.7%
06281	\$264,300	-	5	-	99	98.2%
OTHER	\$261,500	30.75%	4	300.00%	49	99.1%

Back to the Basics: Supply and Demand

By Ken Fears, Economist

The year 2004 was a historic one for the housing industry. Nearly 6.7 million existing home sales were registered nationally, an increase of 9.4%. Amazingly, 2004's record came on the heels of a record 6.1 million home sales in 2003. While sales shot up, mortgage rates did not. The 30-year fixed rate mortgage averaged 5.8% in 2004, unchanged from 2003. The strong buying was likely driven by buyers who anticipated an increase in rates and wanted to get in on the improved affordability while it lasted. In deed, indicators of the general price level are beginning to show mild increases and the Fed is hinting that it could take a more aggressive stance to hamper any inflation by raising the Federal funds rate. Mortgage rates are likely to rise as a result. The rates are forecast to rise to 6.2% by the National Association of Realtors®.

Price	Number of Homes Sold in 2004 Q4	Number of homes for sale on 12/31/04	Months Supply
<\$100K	212	306	4.3
\$100K-\$199K	1,314	1,471	3.4
\$200K-\$299K	2,894	3,620	3.8
\$300K-\$399K	3,287	4,178	3.8
\$400K>	4,051	7,933	5.9

With such strong sales in recent months and mortgage rates likely to creep upward over the coming years, Realtors® must begin to hone in on areas of strong and soft demand, in order to maximize their profits. To this end, the table above presents the homes sold in the fourth quarter of 2004; these numbers can be viewed as recent demand in the area covered by the MLS Property Informatin Network. In addition, numbers are given for the stock of homes that were still on the market as of December 31st 2004. These figures measure the stock or supply of homes. By comparing the two, one can see that,

- The largest number of homes sold, are sold in the upper price ranges.
- The supply of homes is largest in the upper price ranges, but it is proportionally larger in the upper price ranges.
- The number of months supply, the number of months it would take to exhaust the given inventory, was lowest in the middle price ranges.

The low months-supply indicates that demand is strongest relative supply in the middle price ranges, while supply is outpacing demand at the upper price ranges. Though it is common to have a higher months supply at the upper end, the bulge in supply at the upper price ranges could cause some price softening in this area. But any price concessions would be mild as long as mortgage rates remain low. Consequently, one can expect a faster turnover at the middle price ranges and it may require price concessions in the upper price ranges.

Overall, 2005 looks to be another strong year for home sales. The ebb and flow of demand (along with price concessions and increases) will work any bulges out of the supply chain. Arming yourself with the knowledge of where these bulges are today and how to move through them will help you maximize your business through this period.

Jobs, Dollars, and Fannie, Oh My

By David Lereah. *Chief Economist*

Real estate markets have turned conventional economic wisdom on its head. Job gains are sluggish, the U.S. dollar is falling in value and the largest housing company in the world—Fannie Mae—has been hit by scandal. But REALTORS, lenders and homebuyers could not be happier. The housing sector is still healthy, and its future prospects are still bright.

Astonishingly, non-farm payroll gains have risen a scant 0.9 percent since the economy began expanding three years ago. This growth in jobs pales compared with the three-year periods after the last two recessions. Non-farm payrolls posted 4.2 percent growth during the 1991-1994 recovery and a hefty 10.9 percent during the 1982-1985 recovery. The notion that you need a healthy job market to sustain a healthy housing market no longer applies today. What's going on here?

One reason why housing is thriving during a period of weak job creation is because the link between job growth and housing activity is no longer as strong as it once was. Productivity gains and global competition have diluted the role of domestic job gains in influencing economic activity. Today's 5.4 percent unemployment rate is virtually the same as it was a decade ago. In recent years, the economy has been growing at a three to four percent pace, despite the sluggish performance of the domestic job market. Relating this to the housing market is not difficult. What is important is that households possess the financial wherewithal and confidence to purchase homes; and as long as economy is growing at a healthy pace, the housing sector will continue to perform at acceptable, and even better-than-usual levels.

Housing markets also benefit from a less than robust job market because sluggish job growth keeps economic growth sustainable and so inflation is held at bay. As a consequence, the Federal Reserve can follow a "measured" approach to raising interest rates because both economic growth and inflation are not off to the races. Simply stated, modest gains in jobs translate into a more favorable interest-rate environment for housing activity.

As for a weak dollar, a different story may unfold for the housing markets. The dollar has lost about five percent of its value against the euro this year, while losing about three percent against the Japanese yen. This makes the price of imported goods and services more expensive. If this weakness of the U.S. dollar persists throughout 2005, there will be upward pressure on inflation, raising eyebrows at our nation's central bank. There is also the possibility that China will revalue its currency, the yuan, sometime next year. This will add fuel to current inflationary pressures. All of this could force the Fed to act more aggressively next year, raising interest rates at a pace, not compatible with the desires of housing market participants.

At present, the dollar's slide against other major currencies has not meaningfully influenced interest-rate levels. Thirty-year mortgage rates are still hovering below six percent. And recent inflation numbers (the November consumer price index was only 0.2 percent) continue to demonstrate that inflationary pressures remain relatively tranquil. However, fingers and toes will be crossed, hoping the dollar's slide will soon subside.

If sluggish jobs and a falling dollar have not slowed the housing sector, how about a scandal at the nation's largest housing company? Fannie Mae has been hit with an accounting scandal of great magnitude (i.e., billions of dollars of restated earnings and capital depletion). Two of their top senior executives have stepped down, yet the financial markets took these events in stride – even a yawn. It is business as usual in the housing industry. Both existing and new home sales activity continues to hover near peak levels, while mortgage rates remain below six percent.

Looking towards next year, expect more of the same—the Bush Administration just revised its projections for job growth in 2005 downward, calling for slower job gains despite forecasting solid economic growth. This is the best of both worlds for housing activity. It is my view that by the end of 2005, the Fannie Mae fallout will be a distant memory. The economy will hum along at a four-percent growth pace. Job gains will be strong, but modest. The dollar will have regained some of its lost strength, and the Fed will have raised interest rates in a measured, modest manner throughout the year, leaving 30-year mortgage rates well below seven percent. This is the type of backdrop that will provide for a healthy operating environment for all housing participants.

The Forecast

By Lawrence Yun, *Senior Research Forecaster*

In January, many major media outlets give you a year-end review and a “what’s ahead for the next year” wrap-up. So, for the new year, here is NAR’s top ten “predictions” for the U.S. economy and housing markets.

1. **Home prices will rise twice as fast as the overall consumer price index in 2005.** Any talk of a housing price bubble and home price deflation should be dismissed. Home prices are firmly grounded in the fundamentals of demand outstripping supply. Both the average number of months a newly constructed home sits on the market and the months supply of existing homes are at historic lows. Mortgage rates would have to surpass **9 percent** before home prices flatten out.
2. **Both consumers and governments will be more disciplined.** The all-important consumer spending will advance nicely – growing by 3.8% in 2005 and 3.4% in 2006. But these increases will be less than the income growth for the first time since 2000. That bodes well for a higher savings rate. Government spending at all levels is set to grow under 2% for the first time since 1998. The federal budget deficit will shrink to \$310 billion in 2005 from \$415 billion in 2004.
3. **Oil prices will sink below \$40 per barrel.** A lot of speculation had pushed the oil price alarmingly high in late 2004. But we should have known that it would be temporary. Oil companies can still turn a decent profit if the price is at \$25 per barrel. Anything above that induces more production to bring the price back in line.
4. **The trade deficit will begin to shrink.** While the U.S. will not by any means experience a trade surplus, the size of the trade deficit will first stabilize in the early part of 2005 and then start to decline in the latter part of the year. Lower oil prices and the weaker dollar lessen import demand. U.S. manufacturers will see an export boom.
5. **Over the next 24 months, 4.5 million net new jobs will be added to the economy.** Outsourcing of jobs will continue as before. But with so many new job openings don’t expect to hear too many complaints. Look at the 1980s and 1990s when we heard that giant “sucking sound” led by textile companies moving south of the border. Even then, the economy added 38.5 million net new jobs – including hamburger flipping jobs at McDonalds (et al.) and at companies that did not exist prior to those decades – such as Microsoft and Amgen (biotech company).
6. **The fastest employment growth will be in South Florida.** Look out Sunshine State. Naples, Ft. Myers, Sarasota, West Palm Beach, Ft. Pierce and Port St. Lucie all look to benefit as well-to-do Yankee retirees march into town. These folks will need plenty of service workers to pamper them. There will be a plenty of shopping money left after trading in their \$800,000 home up north for a new and larger \$300,000 air-conditioned home in South Florida.
7. **Effective mortgage rates will stay well under 7 percent.** Though the 30-year fixed mortgage rate will rise only to 6.7% by the end of 2005, more and more homebuyers will take advantage of even lower rates offered through hybrid adjustable rate mortgages. Most American homeowners typically move every 7 to 10 years. And they are beginning to understand 7-year fixed ARMS are just as fixed for the first seven years as 30-year mortgages, but at a lower interest rate.
8. **Today’s lofty home price will be look unimaginably cheap.** In 1975, a typical home could be purchased for \$35,300. NAR’s most recent figures report a median sales price (for an existing single-family home) of \$188,200. Fast forward 30 years down the road: a typical home will be around \$800,000 to \$900,000. (So what was that about a housing bubble???)
9. **Home sales in the Boston region will fall modestly in 2005 before heading up in 2006.** As expected with the national home sales, the local region will succumb to a modest fall from higher interest rate environment. An anticipated 3.5% decline is very mild after posting a robust 12% increase in sales in 2004. Job creating economy will lift sales in 2006.
10. **Home prices in the Boston region will continue to rise in 2005 and 2006.** Fundamentals suggest absolutely no bubble in the local market. The rise in home price of near 6 percent in 2005 will mean about \$2,000 housing wealth gain per month for a typical local homeowner.

U.S. Economic Outlook: January 2005

	2004				2005				2006		2003	2004	2005	2006
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2				
U.S. Economy														
<i>Annual Growth Rate</i>														
Real GDP	4.5	3.3	4.0	3.9	4.3	4.1	3.7	3.8	3.8	3.8	3.0	4.4	4.0	3.8
Nonfarm Payroll Employment	1.1	2.3	1.2	1.8	1.7	2.0	1.9	1.7	1.8	1.8	-0.3	1.0	1.8	1.8
Consumer Prices	3.6	4.7	1.9	3.6	2.2	2.1	2.3	2.5	2.2	2.3	2.3	2.7	2.6	2.3
Real Disposable Income	2.4	2.8	1.9	2.9	5.0	4.8	3.8	3.9	5.1	4.2	2.3	3.0	3.8	4.3
Consumer Confidence	92	96	100	96	104	105	106	106	107	107	80	96	105	107
<i>Percent</i>														
Unemployment Rate	5.6	5.6	5.4	5.4	5.3	5.2	5.2	5.1	5.1	5.1	6.0	5.5	5.2	5.0
<i>Interest Rates, Percent</i>														
Fed Funds Rate	1.0	1.0	1.4	1.9	2.4	2.8	3.1	3.4	3.6	3.9	1.1	1.3	2.9	3.9
3-Month T-Bill Rate	0.9	1.1	1.5	2.0	2.4	2.8	3.0	3.3	3.4	3.7	1.0	1.4	2.9	3.8
Prime Rate	4.0	4.0	4.4	4.9	5.4	5.8	6.1	6.4	6.6	6.9	4.1	4.3	5.9	6.9
Discount Rate	5.5	5.9	5.6	5.5	5.6	5.8	5.9	6.1	6.4	6.5	5.7	5.6	5.8	6.6
Corporate Aaa Bond Yield	4.6	4.3	4.2	4.2	4.4	4.7	4.8	5.0	5.3	5.4	4.0	4.3	4.7	5.5
30-Year Government Bond	5.0	5.4	5.1	4.9	5.2	5.4	5.5	5.7	5.9	6.1	5.1	5.1	5.5	6.1
<i>Mortgage Rates, percent</i>														
30-Year Fixed Rate	5.6	6.1	5.9	5.7	5.9	6.1	6.3	6.5	6.8	7.0	5.8	5.8	6.2	7.0
1-Year Adjustable	3.5	3.9	4.1	4.1	4.4	4.8	5.0	5.3	5.5	5.7	3.8	3.9	4.9	5.8
National Housing Indicators														
<i>Thousands</i>														
Existing Single-Family Sales	6,203	6,787	6,677	6,858	6,558	6,508	6,469	6,389	6,419	6,487	6,100	6,644	6,481	6,595
New Single-Family Sales	1,197	1,206	1,160	1,195	1,124	1,128	1,107	1,094	1,078	1,074	1,086	1,189	1,113	1,066
Housing Starts	1,943	1,920	1,969	1,931	1,898	1,872	1,881	1,821	1,798	1,783	1,848	1,941	1,868	1,774
Single-Family Units	1,570	1,596	1,632	1,575	1,556	1,516	1,521	1,457	1,429	1,406	1,499	1,593	1,513	1,393
Multifamily Units	373	323	338	356	342	356	360	364	369	377	349	348	355	381
Residential Construction*	543	564	566	559	557	552	550	546	539	535	560	558	551	533
<i>Percent Change -- Year Ago</i>														
Existing Single-Family Sales	6.6	16.0	4.0	8.9	5.7	-4.1	-3.1	-6.8	-2.1	-0.3	9.6	8.9	-2.5	1.8
New Single-Family Sales	22.1	9.1	0.3	7.1	-6.1	-6.4	-4.6	-8.5	-4.1	-4.8	11.6	9.5	-6.4	-4.2
Housing Starts	11.2	10.0	4.6	-5.1	-2.3	-2.5	-4.5	-5.7	-5.3	-4.8	8.4	5.0	-3.8	-5.0
Single-Family Units	10.7	12.4	7.2	-5.0	-0.9	-5.0	-6.8	-7.5	-8.2	-7.3	10.3	6.3	-5.0	-7.9
Multifamily Units	13.5	-0.4	-6.5	-5.6	-8.2	10.0	6.5	2.2	7.7	5.9	0.9	-0.3	2.0	7.3
Residential Construction	11.3	13.2	8.0	4.4	2.7	-2.0	-2.8	-2.3	-3.2	-3.2	8.8	9.1	-1.3	-3.3
National Home Prices														
<i>Thousands of Dollars</i>														
Existing Home Prices	170.8	183.5	188.2	186.3	183.9	193.1	198.2	193.2	192.0	200.6	170.0	183.1	192.8	200.9
New Home Prices	212.9	216.6	213.4	218.4	224.0	229.2	225.9	229.6	233.4	235.9	195.0	215.3	227.2	236.6
<i>Percent Change -- Year Ago</i>														
Existing Home Prices	6.0	8.8	7.5	8.2	7.7	5.2	5.3	3.7	4.4	3.9	7.5	7.7	5.3	4.2
New Home Prices	15.3	13.4	11.8	9.7	5.2	5.8	5.9	5.1	4.2	2.9	3.9	10.4	5.5	4.1
Local Region														
<i>Payroll Jobs (in thousands)</i>														
Payroll Jobs (in thousands)	1887.3	1925.7	1920.0	1936.0	1891.1	1935.3	1937.3	1961.2	1919.4	1966.3	1930.7	1917.3	1931.2	1961.1
<i>Home Sales</i>														
Home Sales	7917	13856	15282	11763	7679	13260	14655	11516	7833	13817	43659	48818	47111	49184
<i>Home Prices (in thousand \$)</i>														
Home Prices (in thousand \$)	381.7	413.9	421.5	404.3	407.7	438.8	445.5	426.5	431.7	467.3	375.0	408.7	432.8	459.1
<i>Percent Change -- Year Ago</i>														
Jobs	-1.6%	-0.9%	-0.3%	0.1%	0.2%	0.5%	0.9%	1.3%	1.5%	1.6%	-2.5%	-0.7%	0.7%	1.6%
Home Sales	11.7%	22.4%	9.1%	4.6%	-3.0%	-4.3%	-4.1%	-2.1%	2.0%	4.2%	2.1%	11.8%	-3.5%	4.4%
Home Prices	7.1%	10.2%	8.6%	9.3%	6.8%	6.0%	5.7%	5.5%	5.9%	6.5%	8.0%	9.0%	5.9%	6.1%

Quarterly figures are seasonally adjusted annual rates.

* Billion dollars

Source: Forecast produced using Macroeconomic Advisers quarterly model of the U.S. economy. Assumptions and simulations by Dr. David Lereah and Dr. Lawrence Yun.

This table reflects data available through January 7, 2004.

Monthly Indicator	Recent Statistics	Likely Direction Over the Next Six Months	Forecast
<p>Mortgage Rates The 30-year fixed mortgage was 5.75% in December, rising only slightly from November's 5.73% level. One-year adjustable rates rose to 4.18% from 4.15% in November. Since 1971, there have been only four months when mortgage interest rates were lower.</p>	Oct 5.72 Nov 5.73 Dec 5.75	↑	Mindful of the Fed hikes throughout 2005.
<p>Existing Home Sales hit a new high in November of 6.94 million seasonally adjusted annualized units, beating the previous record of 6.92 million set in June of 2004. The inventory of homes for sale was unchanged at 4.3 months supply. 2004 will be a record setting year for resales.</p>	Sep 6,760 Oct 6,760 Nov 6,940	↔	Resales to take a slight breather.
<p>New Home Sales declined 12% in November, posting 1.125 million units (seasonally adjusted annualized rate)-the lowest figure in five months. The goodnews: October's sales figure was revised up by more than 50,000. The inventory of new homes for sale rose significantly at 4.5 months supply.</p>	Sep 1,227 Oct 1,278 Nov 1,771	↓	Plentiful choice of affordable new homes in the Midwest.
<p>Housing Starts tumbled sharply in November to 1.77 million annualized units - the lowest level of new construction activity in more than 18 months. Still, the year-to-date figure for starts is strong and on pace to easily clip last year's mark of 1.85 million total starts.</p>	Sep 1,905 Oct 2,039 Nov 1,771	↓	Tapering off a notch but at historic highs.
<p>Employment Growth Payroll employment advanced by 157,000 in December, somewhat lower than expected. The fastest job growth occurred in the service sectors. Education and health services added 47,000 jobs.</p>	Oct 312 Nov 137 Dec 157	↑	2.2 million in the past 12 months, even more in the next 12.
<p>Purchase Applications The Mortgage Bankers Association's purchase applications index was 470.4 in December. While this is a slight decrease off November's index, financing activity is still in healthy territory, with mortgage rates low and homebuying attractive.</p>	Oct 458.8 Nov 471.7 Dec 470.4	↓	Following sales.
<p>Housing Affordability The Housing Affordability Index dipped in November to 131.7. An increase in the median sales price of homes was primarily responsible. Still, the index shows that the typical family with the median family income can afford to purchase a median priced home.</p>	Sep 132.7 Oct 132.2 Nov 131.7	↓	Income growth lagging behind home price growth.
<p>Inflation The Consumer Price Index (CPI) rose 0.2% in November. The core index (excluding food and energy) also increased 0.2%. Prices rose evenly across the board in November. Core prices are up 2.2% over the last 12 months.</p>	Sep 0.2 Oct 0.6 Nov 0.2	↔	Not yet a concern, but need to be watchful.

Notes: All rates are seasonally adjusted. Existing home sales, new home sales and housing starts are shown in thousands. Employment growth is shown as month-to-month change in thousands. Inflation is shown as month-to-month percent change in the Consumer Price Index. Sources: NAR, Bureau of the Census, Bureau of Labor Statistics, Mortgage Bankers Association, and Freddie Mac.

The latest inflation report has the usual good news/bad news. Core prices remained stable while the headline number moderated from last month, but not as much as expected. Fuel prices remained higher than expected. In fact, fuel prices eased in November, but the decline in prices was not passed on to consumers by as much as was expected. Rising heating costs offset some of the moderation in gasoline prices. Fuel prices have since fallen sharply in early December while temperatures remained warm, but will turn around again as winter demand for heating oil rises and problems in Iraq escalate as elections there near. The good news? The Fed will maintain its policy of moderate rate increases as the core CPI ticks upward, but serious inflation is not a worry as of yet. The CPI will continue to grow at a projected average monthly rate of 0.2% for the next three months.

By Wannasiri Chompoopet and Hristina Toshkova
 This table reflects data available through January 7, 2005.

